



[4830-01-p]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9734]

RIN 1545-BJ56

Dividend Equivalents From Sources Within the United States; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final and temporary regulations; correction.

SUMMARY: This document contains corrections to final and temporary regulations (TD 9734) that was published in the **Federal Register** on September 18, 2015 (80 FR 56866). These corrections include a change to the effective date that was applicable to transactions issued on or after January 1, 2016, and before January 1, 2017. This document provides guidance to nonresident alien individuals and foreign corporations that hold certain financial products providing for payments that are contingent upon or determined by reference to U.S. source dividend payments.

DATES: This correction is effective on **[INSERT DATE OF PUBLICATION OF THIS DOCUMENT IN THE FEDERAL REGISTER]** and applicable on September 18, 2015.

FOR FURTHER INFORMATION CONTACT: Peter Merkel or Karen Walny at (202) 317-6938 (not a toll free number).

SUPPLEMENTARY INFORMATION:

Background

The final and temporary regulations (TD 9734) that are the subject of this correction are under sections 871 and 894 of the Internal Revenue Code.

Need for Correction

As published, the final and temporary regulations (TD 9734) contain errors that may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the final and temporary regulations (TD 9734), that are the subject of FR Doc. 2015-21759, are corrected as follows:

1. On page 56866, in the preamble, the first column, under the caption “DATES”, the fourth through seventh lines of the paragraph, the language “applicability, see §§ 1.871-14(j)(3), 1.871-15(r), 1.871-15T(r)(4), 1.1441-1(f)(4), 1.1441-1T(f)(3), 1.1441-2(f), 1.1441-3(h)(3), 1.1441-7(a)(4), and ” is corrected to read “applicability, see §§ 1.871-14(j)(3), 1.871-15(r), 1.871-15T(r)(4), 1.1441-1(f)(4), 1.1441-1T(f)(3), 1.1441-2(f), 1.1441-3(h)(3), 1.1441-7(a)(4), 1.1461-1(c)(2)(iii), and”.
2. On page 56866, in the preamble, the first column, the eleventh line from the bottom of the column, the language “871(m). This information will be used” is corrected to read “871(m) of the Internal Revenue Code. This information will be used”.
3. On page 56868, in the preamble, the first column, the ninth line from the bottom of the column, the language “discussed in section E.1 of this” is corrected to read “discussed in section F.1 of this”.
4. On page 56869, in the preamble, the second column, the tenth line of the first full paragraph, the language “dividends. As noted in Part II.L. of this” is corrected to read “dividends. As noted in Part II.M. of this”.

5. On page 56870, in the preamble, the first column, the thirty-second line from the bottom of the column, the language “D. Payment of a Dividend Equivalent” is corrected to read “E. Payment of a Dividend Equivalent”.

6. On page 56870, in the preamble, the second column, the twenty-second line of the second full paragraph, the language “equivalent, as discussed in Part II.M of” is corrected to read “equivalent, as discussed in Part II.N of”.

7. On page 56870, in the preamble, the second column, the eighteenth line from the bottom of the column, the language “E. Amount of a Dividend Equivalent” is corrected to read “F. Amount of a Dividend Equivalent”.

8. On page 56870, in the preamble, the third column, the eleventh line from the bottom of the column, the language “defined in §1.871-15(a)(14)(ii)” is corrected to read “defined in §1.871-15(a)(5)”.

9. On page 56871, in the preamble, the first column, the twenty-sixth line from the bottom of the column, the language “F. Qualified Indices” is corrected to read “G. Qualified Indices”.

10. On page 56872, in the preamble, the first column, the last line of the first full paragraph, the language “qualified index rule. See § 1.871-15(l)” is corrected to read “qualified index rule. See § 1.871-15(l).”.

11. On page 56872, in the preamble, the second column, the sixth line from the bottom of the column, the language “G. Combined Transactions” is corrected to read “H. Combined Transactions”.

12. On page 56873, in the preamble, the third column, the twelfth line from the top of the column, the language “H. Derivatives Referenced to Partnership” is corrected to read “I. Derivatives Referenced to Partnership”.

13. On page 56873, in the preamble, the third column, the fifth line from the bottom of the column, the language “I. Anti-Abuse Rule” is corrected to read “J. Anti-Abuse Rule”.

14. On page 56874, in the preamble, the first column, the twenty-fourth line from the top of the column, the language “J. Reporting Obligations” is corrected to read “K. Reporting Obligations”.

15. On page 56874, in the preamble, the first column, the fifteenth line of the second full paragraph, the language “871(m) transaction the broker or dealer” is corrected to read “871(m) transaction, the broker or dealer”.

16. On page 56874, in the preamble, the third column, the first line of column, the language “K. Recordkeeping Rules” is corrected to read “L. Recordkeeping Rules”.

17. On page 56874, in the preamble, the third column, the thirty-second line from the top of column, the language “L. Contingent and Convertible Debt” is corrected to read “M. Contingent and Convertible Debt”.

18. On page 56875, in the preamble, the second column, the third line from the top of the column, the language “M. Amounts Subject to Withholding” is corrected to read “N. Amounts Subject to Withholding”.

19. On page 56877, in the preamble, the second column, the fifth line from the bottom of the third full paragraph, the language “on the same underlying securities.” is corrected to read “on the same underlying security.”.

20. On page 56878, in the preamble, the second column, under the paragraph heading “IV. Effective/Applicability Date”, the third sentence of the first full paragraph is removed.

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